



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Bureau of Consumer Protection
Division of Advertising Practices

October 7, 2008

VIA FEDERAL EXPRESS

Mary E. Innis, Esq.
Loeb & Loeb LLP
321 North Clark Street
Suite 2300
Chicago, IL 60654

Re: Borders Group, Inc., FTC File No. 082-3240

Dear Ms. Innis:

As you are aware, the staff of the Federal Trade Commission has conducted an investigation into whether Borders Group, Inc. (Borders or the company) has violated the FTC's Children's Online Privacy Protection Rule (COPPA Rule), 16 C.F.R. § 312, in connection with its operation of the Borders Mobile Alert program run on the <http://borders.enpocket.com> website. In pertinent part, the COPPA Rule requires operators of websites that have actual knowledge that they are collecting personal information online from children under 13 years of age to provide notice of their information practices to parents and to obtain verifiable parental consent prior to collecting, using, or disclosing personal information from such children.

Upon review of this matter, we have determined not to recommend enforcement action at this time. Among the factors we considered are that Borders collected personal information only from a small number of children in connection with the Mobile Alert program; Borders immediately deactivated the Mobile Alert program in response to the staff's inquiry; and Borders has committed to reactivating the program in a manner that complies with the COPPA Rule.

This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Very truly yours,

A handwritten signature in black ink that reads "Mary Koelbel Engle".

Mary Koelbel Engle
Associate Director